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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

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March 6, 1997

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, DC 20554

Re: IB Docket No. 96-220
Notice of Ex Parte Presentation

Dear Mr. Caton:

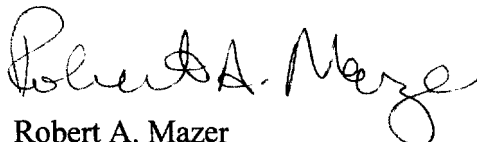
Leo One USA Corporation ("Leo One USA"), by its attorneys, hereby notifies the Commission, pursuant to Section 1.1206 of the Commission's rules, that it participated in a meeting with Commission staff concerning the above-referenced proceeding. The following members of the International Bureau staff participated:

Paula H. Ford
Julie Garcia
Ruth Milkman
Harold Ng
Cassandra Thomas
Thomas S. Tycz

A copy of the presentation material used during that meeting is attached. An original and one copy of this notice are being submitted to the Secretary's Office. Copies of this letter are being provided to the members of the staff named above.

Any questions regarding this matter should be directed to the undersigned.

Respectfully submitted,



Robert A. Mazer
Counsel for Leo One USA Corporation

Attachment

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A REVIEW OF LITTLE LEO BAND PLAN OPTIONS

Leo One USA Corporation

March 5, 1997

INTRODUCTION

- The February 21st Proposal Does Not Accomplish Its Goals -- It Will Not Allow Introduction of New, Competitive Systems
- Modifications to the Proposal May Allow the Commission to Meet its Goals for This Service

LEO ONE USA PERSPECTIVE

- Leo One USA is the only applicant prepared to implement a near real-time system in the 1992 bands
- Other applicants willing to accept small or partial systems or desire to use 1992 bands for transition to new spectrum
- Existing licensees want to preserve competitive position

FEB. 21st PROPOSAL

- Orbcomm and Starsys to migrate feederlinks to 149.9-150.05 MHz
- Gives 1st round licensees “Super Primary” status over new entrants
- Places Orbcomm’s expansion plans on equal footing with initial system deployment needs of second rounders
- Assumes CTA will accept smaller system
- Splits downlinks in half in 137 and 400 MHz bands

FEB. 21st PROPOSAL -- POSITIVE ELEMENTS

- Starsys and E-Sat acknowledge they can share in 137 MHz band
- Orbcomm acknowledges it can share 148-149.9 MHz band with multiple DCAAS systems
- FACS acknowledges it can operate in 137 MHz band

FEB. 21st PROPOSAL -- FIRST ROUND ISSUES

- Feeder Links
- Super Primary Status
- Providing Orbcomm Additional Spectrum

FIRST ROUND ISSUES (cont)

- Accommodation of Starsys and Orbcomm feederlink request precludes 2nd round entry
 - 149.9 - 150.05 MHz can accommodate only 2 feederlinks
 - coordination via geographic separation would require 6,000 km separation
 - co-channel operation via cross polarization is not feasible

FIRST ROUND ISSUES (cont)

- Starsys and Orbcomm Feederlink request (cont)
 - 399.9 - 400.05 MHz transit band is not available for feederlinks
 - Band not allocated in U.S.
 - Germany achieved coordination priority in this band (Filed AP4 on September 27, 1996)

FIRST ROUND ISSUES (cont)

- Super primary status precludes future entry
 - Gives 1st round licensees ability to block implementation of licensed systems
 - Existing licensees have no incentive to accommodate competitors
 - Coordinating new entrants will impose significant administrative burdens on FCC, current licensees, and new licensees

FIRST ROUND ISSUES (cont)

- Accommodation of Orbcomm additional 12 satellites limits or precludes new entry in 137 MHz band
 - Allows Orbcomm to coordinate additional capacity *pari passu* with coordination of new systems
 - Introduces additional interference into Starsys/S80 consuming limited margin to be allocated to new entrants

FEB. 21st PROPOSAL -- SECOND ROUND ISSUES

- Splitting 137 and 400 MHz bands is unworkable
 - Greatly increases interference environment
 - 5.4 dB degradation to Starsys/S80
 - 277% increase in number of satellites to coordinate with NOAA
 - Complicates satellite tasking and coordination

SECOND ROUND ISSUES (cont)

- Splitting 137 and 400 MHz bands is unworkable (cont)
 - DMSP shutdown requirement renders Leo One USA viability dependent upon FACS performance
 - Increases terminal cost by 50%
 - Requires DOD to coordinate with multiple systems
 - Requires NOAA to coordinate with all systems
 - Risks entire NOAA/DOD time sharing agreement being withdrawn

SECOND ROUND ISSUES (cont)

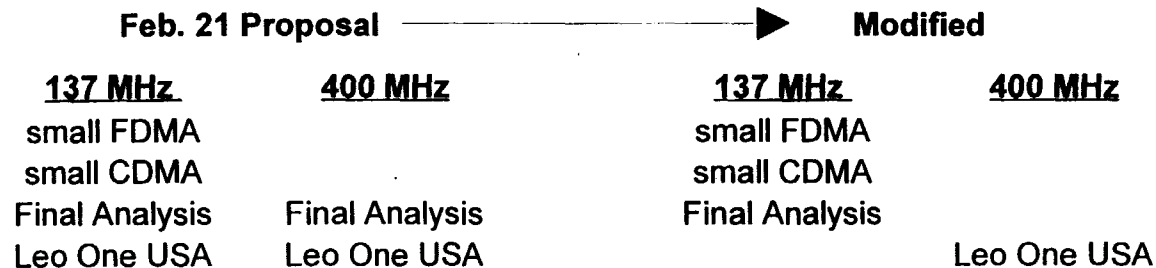
- Band split is artificial
 - Accommodation of E-Sat and CTA not dependent on split
 - Split does not directly affect 1st round licensees
 - Band split not necessary for FACS to implement its system

A MODIFIED FEB. 21st PROPOSAL MAY WORK

- Give 1st and 2nd round licensees equal rights to remaining spectrum after 2nd round systems are implemented
 - Defer request for expanded feederlinks
 - Defer Orbcomm expansion request
- 1st and 2nd round licensees to coordinate in a manner consistent with existing rules and policies
 - Eliminates Super Primary Status

A MODIFIED FEB. 21st PROPOSAL MAY WORK (cont)

- Adopt February 21st uplink spectrum proposal
- Adopt February 21st Proposal for one small CDMA and one small FDMA system in the 137 MHz band
- Maintain FCC, CTA and Leo One USA approach - one large system in 137 MHz band and one large system in 400 MHz band



BENEFITS OF THE MODIFIED PROPOSAL

- Retains methodology for meeting second round uplink requirements
- Reduces degradation to Starsys and S30 systems from 5.4 dB to 1.8 dB
- Simplifies coordination for both NOAA and DMSP
- Avoids upsetting DOD/NOAA agreement to share
- Ensures new systems are implemented not just licensed

PATH TO RESOLUTION

- Status of 1st round licensees must be resolved
- Likelihood of settlement is remote at this time
- Commission must expedite release of Report and Order
 - Clarify 1st round eligibility
 - Impose strict financial requirements
- Report and Order should lead to settlement

PATH TO RESOLUTION (cont)

- If no settlement:
 - Amend applications (to determine if anyone will accept smaller system)
 - If no mutual exclusivity for a particular license, issue license to financially qualified applicant
 - Any remaining licenses should be awarded to remaining applicants
 - If mutual exclusivity remains, use auctions